	<b>Supplier Development and Localisation Strategy for Independent Measurement and Verification (M&amp;V) and reporting</b>	<b>Unique Identifier</b>	<b>240-56738500</b>
		<b>Revision</b>	<b>Rev. 0</b>
		<b>Revision Date</b>	<b>September 2015</b>
		<b>Group Commercial Division</b>	

<b>SD &amp; L EXECUTION SUPPORT REPRESENTATIVE:</b>	Mosa Makhubo	Tel:	011 800 3109
		Date:	2 Aug 2016
<b>BUSINESS UNIT:</b>  <b>Buyer:</b>	Distribution Division Gauteng Cluster  <i>Masego Tolo</i>	Document Revision no:	1
<b>DESCRIPTION:</b>	For the provision of medicine, pharmaceutical consumables & oxygen supply and delivery contract for a period of 60 months on “an as when required” basis		
<b>BUDGET VALUE:</b>			
<b>DURATION:</b>	60 Months		

Suppliers are obligated to contribute towards the six elements of SD&L, namely: B-BBEE, Localisation, Industrialisation, Skills Development, Job Creation and Supplier Development for the duration of the contract.


## 1. B-BBEE

Eskom prefers to do business with companies that are more than 50% Black Owned; this includes Black Woman Owned (BWO), Black Youth Owned (BYO), and Black People Living with Disability (BPLwD).

In this contract the preference will be given to suppliers that are Black Owned and has a B-BBEE Level of 1 to 3 as per Eskom’s preference.

The existing Panellists members shall maintain or improve upon their current B-BBEE level to level 1-3 during the life contract. The Panellists members that are less than 51% BO will also improve on the Black Ownership of the companies/institutions as per Eskom preference (if applicable), for future business relationship with Eskom. The Panellists members will be required to submit a new certificate should ownership of the company change during the life of the contract.

Local suppliers shall be allocated points in accordance with the B-BBEE Evaluation Scorecard (figure 1) shown below:

	<b>Supplier Development and Localisation Strategy for Independent Measurement and Verification (M&amp;V) and reporting</b>	<b>Unique Identifier</b>	<b>240-56738500</b>
		<b>Revision</b>	<b>Rev. 0</b>
		<b>Revision Date</b>	<b>September 2015</b>
		<b>Group Commercial Division</b>	

**Note: the following element (A, 2, 3,4,5,6 & 7) will form part of the Eskom's objectives and they will be negotiated with the successful supplier(s)**

#### **A. Specific Objective**

Specific Objective of Tender (Application of other criteria in terms of section 2(1)(d-f) of PPPFA)

The objective criteria for this tender are the following:

- Transforming this industry by appointing small emerging black businesses with 51% black ownership (further preference will be given to BYO/BPLwD),
- Job creation for previously disadvantaged people.


To achieve the above the following aspects will apply

- Appoint companies with 51% black ownership, or
- In the event where the contract is awarded to a Generic firm, 20% shall be sub-contracted/incubate to emerging BYO/BPLwD (100% shareholding) with the purpose of supplier development (where necessary) or
- Joint venture where the lead firm is 51% black owned.

NB. The joint venture may be:

- i) Black Owned Company and Black Owned Company or
- ii) Black Owned Company (Majority shareholder) and non- Black Owned Company or
- iii) Black Women Owned Company and Black Owned Company or
- iv) Black Women Owned Company(Majority shareholder) and non- Black Owned Company

#### **Figure 1: B-BBEE Evaluation Scorecard (90/10 application)**

	<b>Supplier Development and Localisation Strategy for Independent Measurement and Verification (M&amp;V) and reporting</b>	Unique Identifier	240-56738500
		Revision	Rev. 0
		Revision Date	September 2015
		Group Commercial Division	

B-BBEE	Qualification	Number of Points (80/20 system)	Number of Points (90/10 system)
1	≥ 100 points	20	10
2	≥ 85 points < 100 points	18	9
3	≥ 75 points < 85 points	16	8
4	≥ 65 points < 75 points	12	5
5	≥ 55 points < 65 points	8	4
6	≥ 45 points < 55 points	6	3
7	≥ 40 points < 45 points	4	2
8	≥ 30 points < 40 points	2	1
Non-compliant	< 30 points	0	0

## 2. Localisation

Eskom requires suppliers to purchase all their materials, products or any other services required within the borders of South Africa. The Local Content to South Africa will be 100% because Eskom do not expect any skills to be imported for these services and the industry is matured enough to possess all the skills required. It will form part subcontracting, skills development, and supplier development. Local to site will also be 100%.

### . Local Content Designated Sectors -Pharmaceutical Products:

Dti


Commodity	Local Content Threshold
OSD TenderFamily Planning Tender	70% (volumes)50% value
Rail Rolling Stock	65%
Set Top Boxes (STB	30%

## 3. Industrialisation

There is no requirement for industrialisation as all resources are sourced from within South Africa.

## 4. Skills Development

Successful supplier will be obligated to train **1** candidate for every **1 Million** cumulated through task order awarded to the supplier; this obligation will be for the duration of the contract. The duration of the task order will not be linked with the supplier's obligation to train; therefore the supplier will have to ensure that the skills committed are successfully achieved by the end of the contract period. Skills candidates shall be sourced from previously disadvantage groups in South Africa. The purpose is to provide these candidates with skills and workplace experience in order to increase the

	<b>Supplier Development and Localisation Strategy for Independent Measurement and Verification (M&amp;V) and reporting</b>	<b>Unique Identifier</b>	<b>240-56738500</b>
		<b>Revision</b>	<b>Rev. 0</b>
		<b>Revision Date</b>	<b>September 2015</b>
		<b>Group Commercial Division</b>	

opportunity for them to be employable within the industry. The supplier may develop the candidates directly, through their supply network or through the SETA accredited training providers.

Skills development candidates should be currently unemployed graduates from FET Colleges and universities and/or matriculants. The composition of the candidates shall be representative of the population demographics of South Africa. The supplier will be provided with the list of skills as per respective discipline to choose from, this will mean this supplier will train candidate with skill type that is relevant to their area of expertise.

#### 4.1 List of proposed skills

<b>Skills Type</b>	<b>Estimated number of candidates to trained</b>
Learnerships (Industry Related) or	1
Graduate in training (Industry Related)	1

#### NB: See List of Skills to be developed below

The monitoring and report will provide implementation schedule and supplier data collection templates to ensure that the above obligations to train candidates are achieved successfully through regular monitoring of task order value awarded to suppliers.

#### 5. Job Creation

The existing tenderer shall propose the number of jobs to be created as a direct result of this contract. The proposals shall be recorded on the implementation schedule at contract award.


<b>Type of Jobs to be created (Skilled)</b>	<b>Number of Jobs to be created (Unskilled / Semiskilled)</b>

#### 6: SDL&I Penalty and Performance Security

Eskom will apply a penalty of 2.5% of the invoice amount for failure to meet SDL&I obligations.

Eskom will apply a penalty of 2.5% of the Contract Value for failure to meet SDL&I obligations.

For the duration of the contract, Eskom will retain 2.5% of every invoice (excluding VAT) as

	<b>Supplier Development and Localisation Strategy for Independent Measurement and Verification (M&amp;V) and reporting</b>	<b>Unique Identifier</b>	<b>240-56738500</b>
		<b>Revision</b>	<b>Rev. 0</b>
		<b>Revision Date</b>	<b>September 2015</b>
		<b>Group Commercial Division</b>	

security for the fulfilment of all SDL&I Obligations. The retained amounts shall only be released to the Contractor upon:

- Eskom receives the SDL&I progress report/s from the contractor.
- Fulfilment of all SDL&I obligations by the contractor.
- Submission of an approved compliance report by SDL&I Department.

## 7: Reporting and Monitoring

The suppliers shall on a quarterly basis submit a report to Eskom in accordance with Data Collection Template on their compliance with the SDL&I obligations described above.

Eskom shall review the SDL&I reports submitted by the suppliers within 30 (thirty) days of receipt of the reports and notify the suppliers in writing if their SDL&I obligations have not been met.

Upon notification by Eskom that the suppliers have not met their SDL&I obligations, the suppliers shall be required to implement corrective measures to meet those SDL&I obligations before the commencement of the following report, failing which Retention clauses shall be invoked.

Every contract shall be accompanied by the SDL&I Implementation Schedule, which must be completed by the suppliers and returned to SDL&I representative for acceptance within 28 days of contract award. This will be used as a reference document for monitoring, measuring and reporting on the supplier's progress in delivering on their stated SDL&I commitments

## 8 General Information on Validity of Sworn Affidavits


The following must be considered when it comes to validity of Affidavits;

Tenderers submitting B-BBEE Sworn Affidavits must ensure that the affidavits meet the following key pointers to ensure their validity:

Name/s of deponent as they appear in the identity document and the identity number.

Designation of the deponent as the director, owner or member must be indicated in order to know that person is duly authorised to depose of an affidavit. (Mark the applicable option).

Name of enterprise as per enterprise registration documents issued by the CIPC, where applicable, and enterprise business address.

	<b>Supplier Development and Localisation Strategy for Independent Measurement and Verification (M&amp;V) and reporting</b>	<b>Unique Identifier</b>	<b>240-56738500</b>
		<b>Revision</b>	<b>Rev. 0</b>
		<b>Revision Date</b>	<b>September 2015</b>
		<b>Group Commercial Division</b>	

Percentage of black ownership, black female ownership and designated group. In the case of specialised enterprises as per Statement 004, the percentage of black beneficiaries must be reflected. (No blank spaces to be left).

Indicate total revenue for the year under review and whether it is based on audited financial statements or management account. (Mark the applicable option).

Financial year end as per the enterprise's registration documents, which was used to determine the total revenue. (Financial year end to be stipulated by day/month/year).

B-BBEE Status level. An enterprise can only have one status level. (Tick applicable level)

Empowering supplier status must be indicated. For QSEs, the deponent must select the basis for the empowering supplier status.

Date deponent signed and date of Commissioner of Oath must be the same. (The sworn affidavit must be signed in the presence of the Commissioner of Oath. Furthermore the Commissioner must also sign and stamp)

Commissioner of Oath cannot be an employee or ex officio of the enterprise because, a person cannot by law, commission a sworn affidavit in which they have an interest.

**Compiled by:** Mosa Makhubo

**Signature:**



**Date:** 14 April 2026

**Accepted by:**

**Signature:**

**Date:**